

## Draft Meeting Minutes for October 11, 2005 RI Renewable Energy Fund Advisory Board Meeting

1. Minutes and Update:
  - a. Minutes:
    - i. A request by RISD for an additional \$20,000 to be used for its Solar Decathlon project was approved in September. The funding will be provided from the Outreach and Education Program budget.
    - ii. Typographical errors: 4.a) Port should be Point; 4.b) the word “the” is missing from the last sentence; 4.c) CRMS is CRMC; 4.e) parenthesis missing after “salaries”.
  - b. Update: There were 2818 GreenUp signups as of the end of September 2005, up from 2776 at the end of August 2005.
2. Energetech: A new request was submitted for a total of \$142,000, broken down as follows. All of the money except for the Public Hearings Support category will be going to URI for studies. The Board approved the request. The Board would like a report on how much money overall has Energetech spent on permitting. The funding will come from the Emerging Technologies Program budget.

Geotechnical Investigation	\$75,000
Wave and Current Assessment	\$27,000
Site Monitoring Photography	\$25,000
Public Hearings Support	\$15,000
<b>Total</b>	<b>\$142,000</b>

3. NESEA: NESEA submitted a request for the following amounts and activities:
  - a. \$5000 Tour of Solar Homes;
  - b. \$5000 for the sponsorship of the annual Green Buildings Conference;
  - c. Up to \$5000 for scholarships for first time attendees and students to the Conference (\$100 per scholarship.)The Board approved \$1000 for the Tour of Solar Homes; \$5000 for the Green Buildings Conference and up to \$5000 for Scholarships. The funding is from the Outreach and Education Program budget.
4. Outreach and Education – Nancy Selman has drafted and circulated for discussion an RFP to be used to allocate the remaining Outreach and Education budget for the Fiscal Year 2006 (July 1, 2005 to June 30, 2006.) A powerpoint presentation was given reviewing past expenditures and goals and objectives for outreach and education in the future. Comments on the draft were requested. The following points were raised and discussed:
  - a. CESA dues should be included in the Outreach and Education budget;
  - b. The education component of the Solar on Schools program, including data acquisition and monitoring, should be included in the Outreach and Education budget;
  - c. The RFP will be put out again in Spring of 2006 to allocate the FY 2007 budget;
  - d. It should be made clearer in the RFP that respondents only have to do pieces of the entire program or activities list, not all of it.
  - e. CESA Clean Energy messaging – keep consistency but give flexibility if the messaging doesn’t apply.
5. RES Long-Term Contracting Incentive Program – Bob Grace presented a draft Conceptual Outline for a Fund program to support the RES:
  - a. National Grid has to file a procurement plan including long- term contracts. Will seek proposals from suppliers for RECs for the following terms:
    - i. Subsequent year
    - ii. Remaining Standard Offer (SO) period (-2009)
    - iii. 2010 and beyond
    - iv. Bids may be independent or spanning all 3 periods

- b. The Fund wants to encourage Obligated Entities (OE) to enter into long term (LT) contracts for RES
  - i. Barriers and Gaps –
    1. Perception of regulatory risk
    2. Financial risks due to others not entering into LT contracts
  - ii. Proposed Program Design
    1. Provide incentives for qualified wholesale parties to enter into LT contracts spanning 3 periods
    2. Structure the incentive program as a competitive bid
    3. Set budget and max bid based on available funds and offers received by NGRID pursuant to 5.a. The max bid amount will be some % of total RES budget
    4. Key program design questions:
      - a. How to choose which supply contracts offered to NGRID to offer incentive to?
      - b. Auction structure (single sealed-bid vs. multiple round, clearing price vs. as-bid)
      - c. How to set a maximum bid
      - d. Selection criteria (min incentive per MWh)
      - e. Timetable
      - f. Conditions on incentives reasonable
    5. Evaluation
      - a. Who will accept smallest incentive to enter contract
      - b. Which contract will maximize customer savings near-term?
    6. Success
      - a. RECs secured at or below “breakeven” benchmark contract prices
      - b. Savings for RI
    7. Next steps
      - a. Meeting with Grid
      - b. Establish subcommittee
      - c. Preliminary budget
      - d. Program will require administrative effort in collaborating with NGrid
- c. The following issues were raised by the Board and discussed:
  - i. Why not contract directly with the wholesale generators rather than go through a retailer
  - ii. Look for opportunities like biomass co-firing which are unique to RI RES.
  - iii. RES regulations are not final and there may be big changes, so the Proposed Program Design should be seen as a work in progress.
  - d. Next step: Draft an outline of the Proposed Program Design to circulate to affected parties for comment.
6. RES Behind the Meter Oversight: Erich Stephens explained an issue that has come up regarding the RECs generated by behind the meter renewable energy systems: Option A – independent third party verifier receives the meter readings and enters into the GIS system. Requires a modification to the GIS system. PP&L and CSG are sending a letter to the Commission asking that the Commission adopt Option A if available, and to send a letter to the NEPOOL GIS Markets Committee asking the Committee to implement the required changes. Erich requested that the Fund be a signatory to the letter. The Board discussed the issue and agreed to sign the letter.